Earnings, Health Outcomes and the Role of Minimum Wages in the U.S.

Focusing on the Future of Work: Connections to Health Sharing Knowledge Conference

P4A

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Chandler, Arizona

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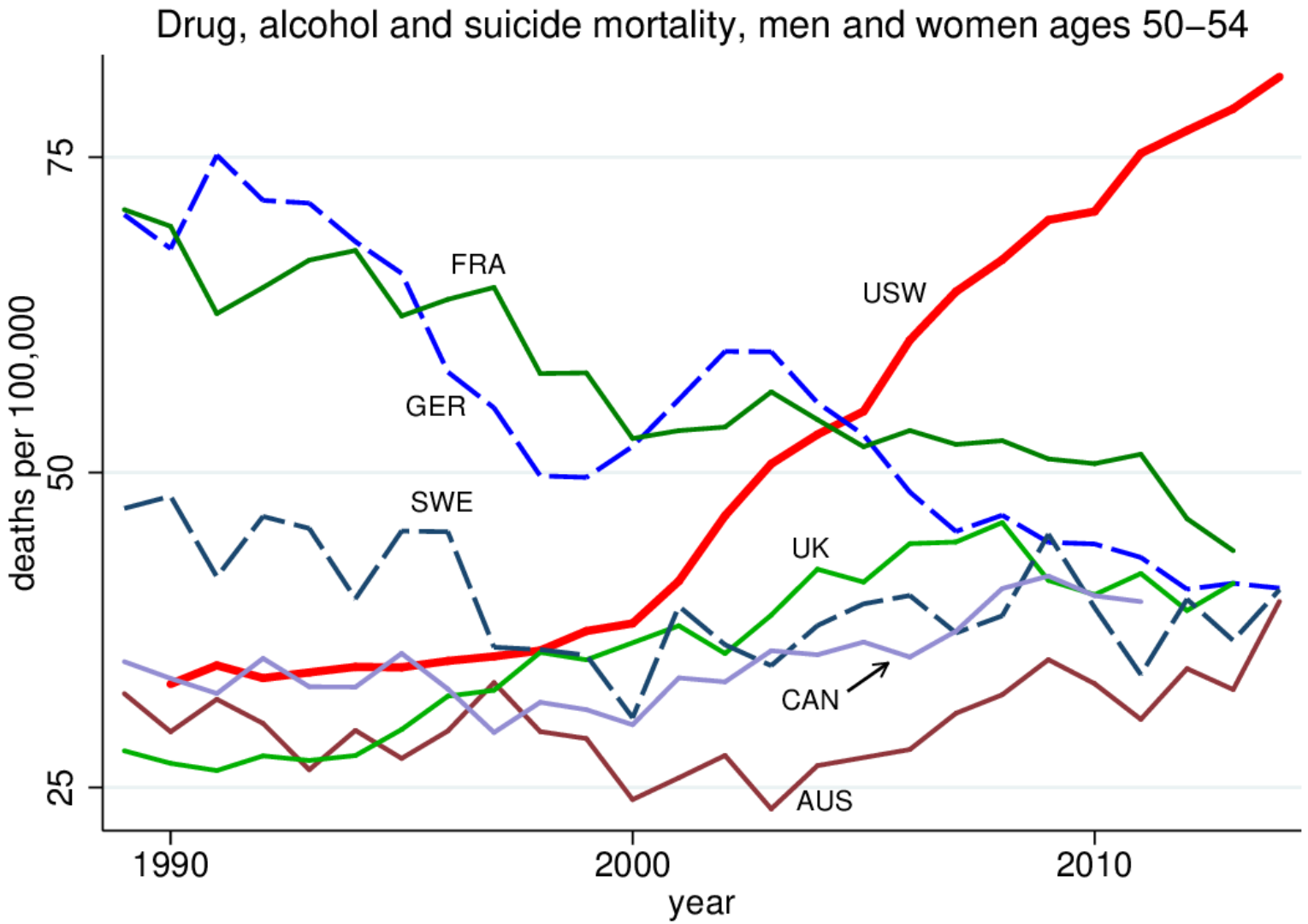
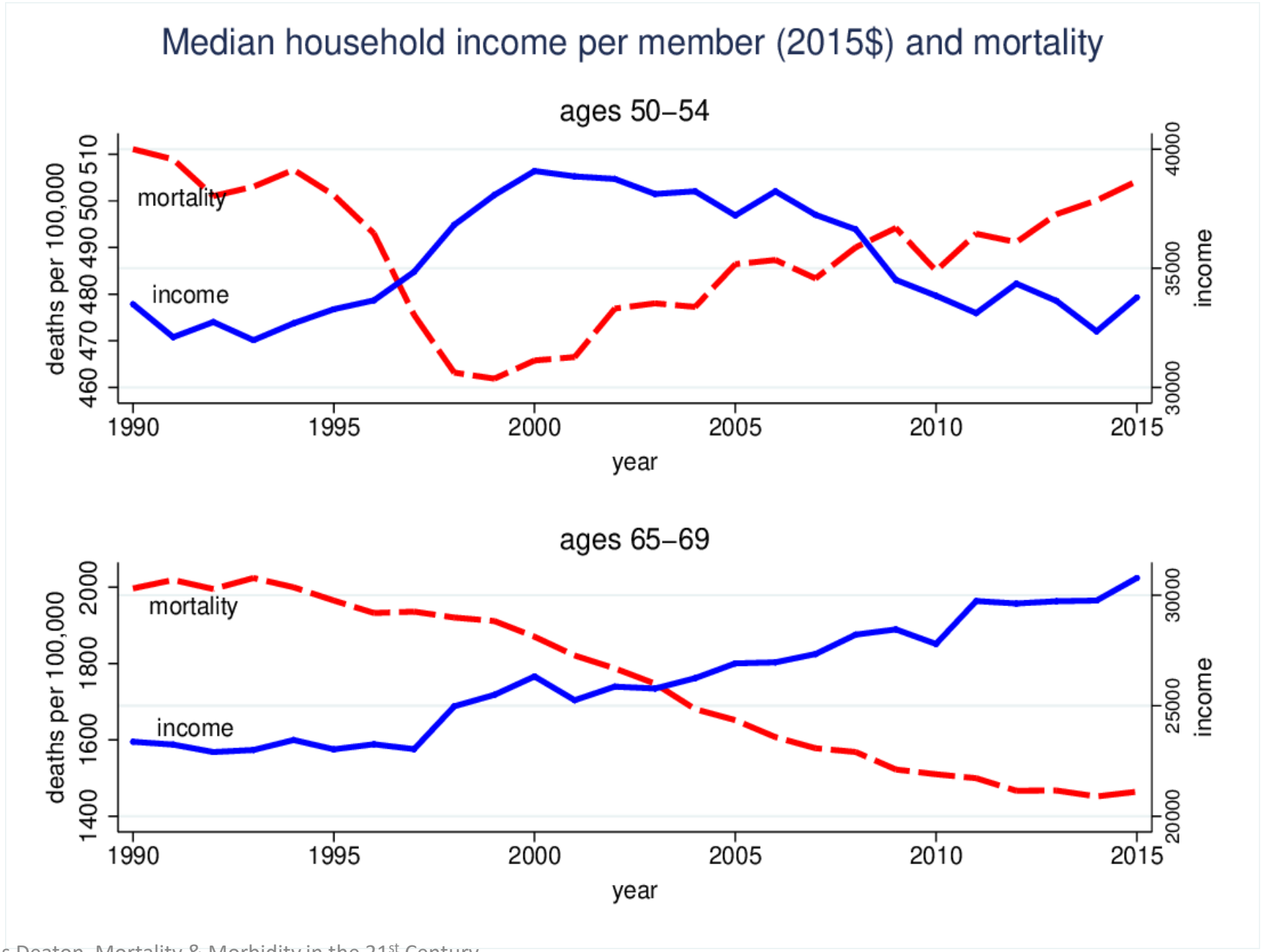
Motivation:
Health Outcomes and Income

Case & Deaton paper

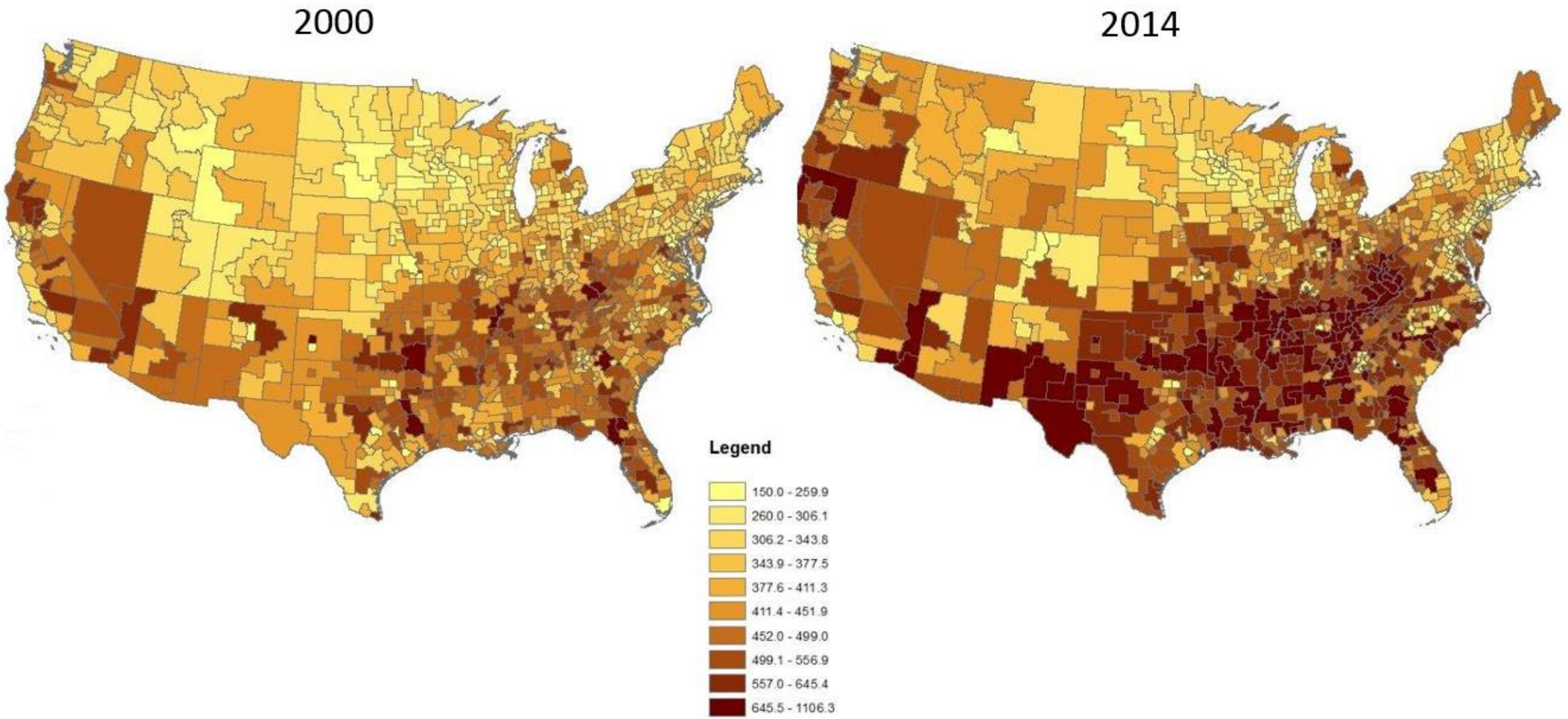


Source: Anna Case & Angus Deaton, Mortality & Morbidity in the 21st Century. Brookings Papers March 2017.



Source: Anna Case & Angus Deaton, Mortality & Morbidity in the 21st Century.

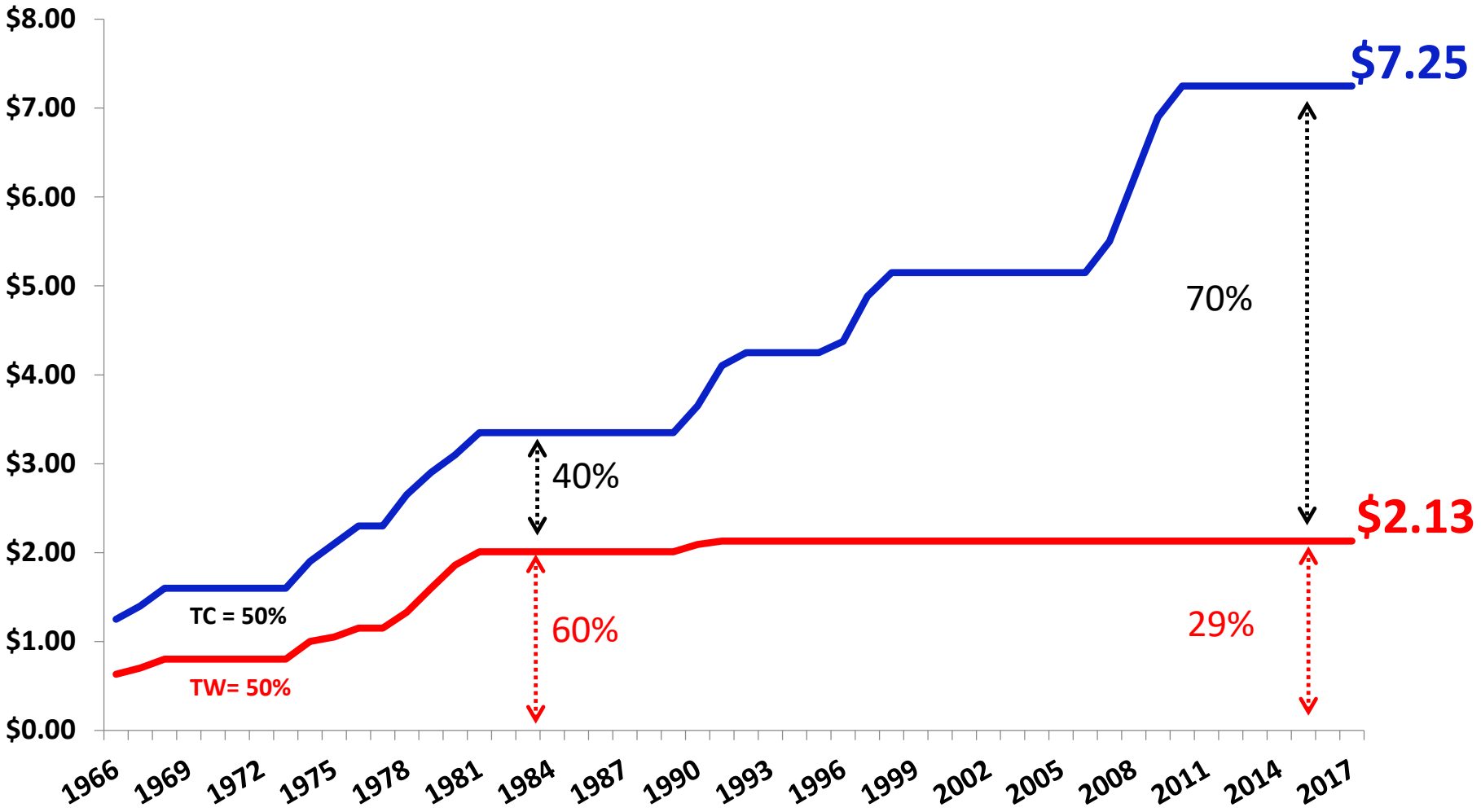
Figure 1.9 All-cause mortality, white non-Hispanics, ages 45-54



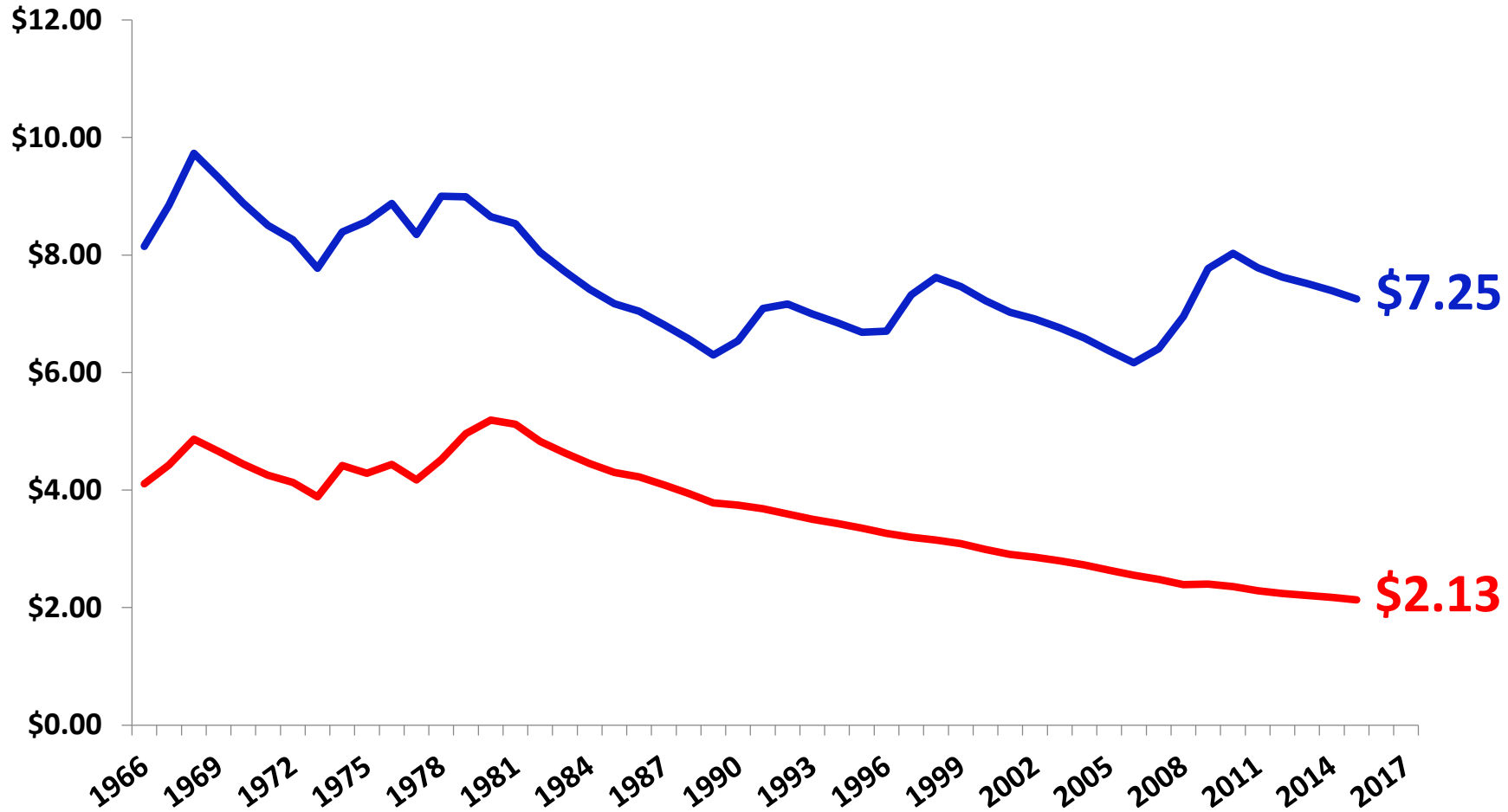
Source: Anna Case & Angus Deaton, Mortality & Morbidity in the 21st Century.

Background:
Wage Floors in the U.S.

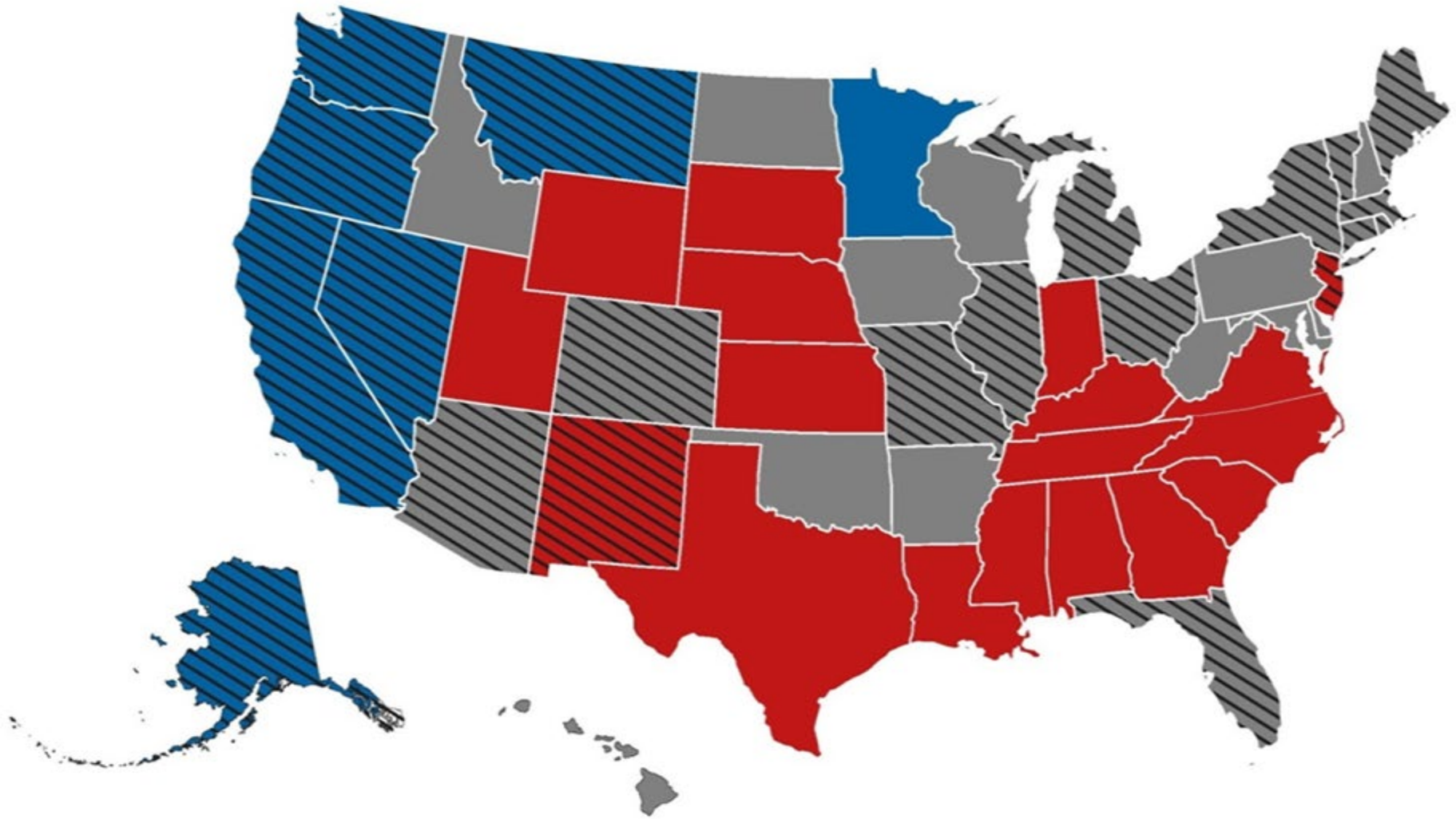
1966 FLSA & the Two-tiered System



After adjusting for prices



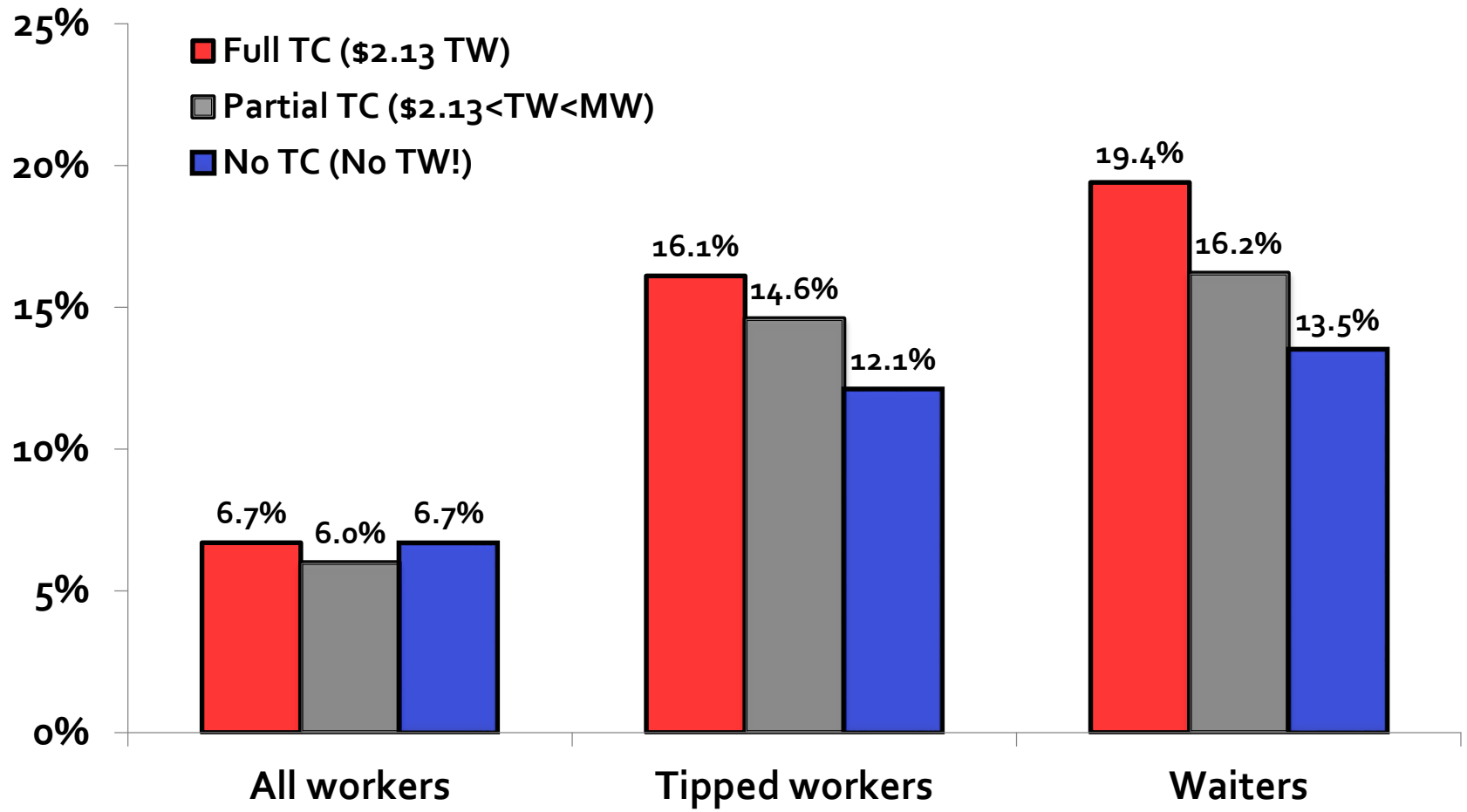
Quasi-natural experiment



Allegretto 2018

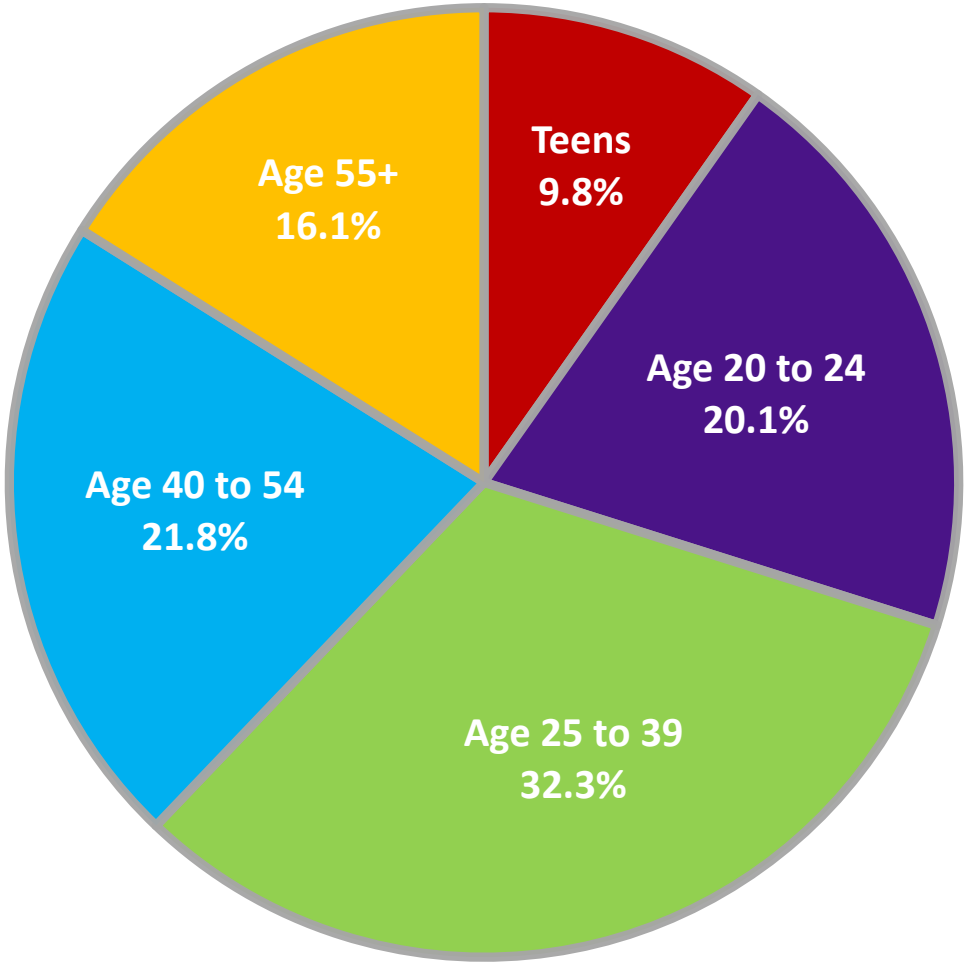
Backdrop:
Economic Conditions in the U.S.

Poverty rates



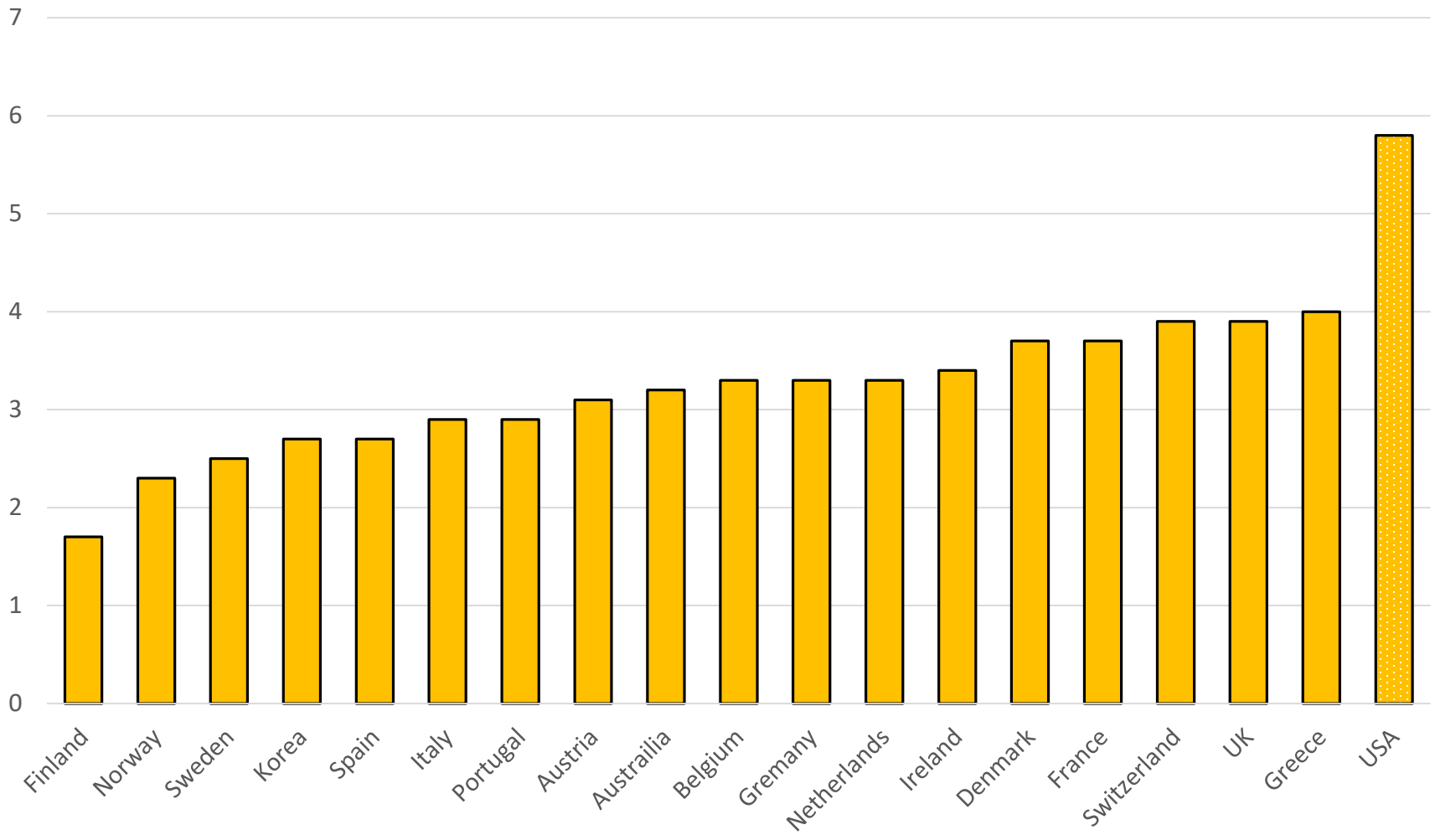
Source: Allegretto's analysis of Bureau of Labor Statistics, March CPS data.

MW Policy in the U.S. to $15



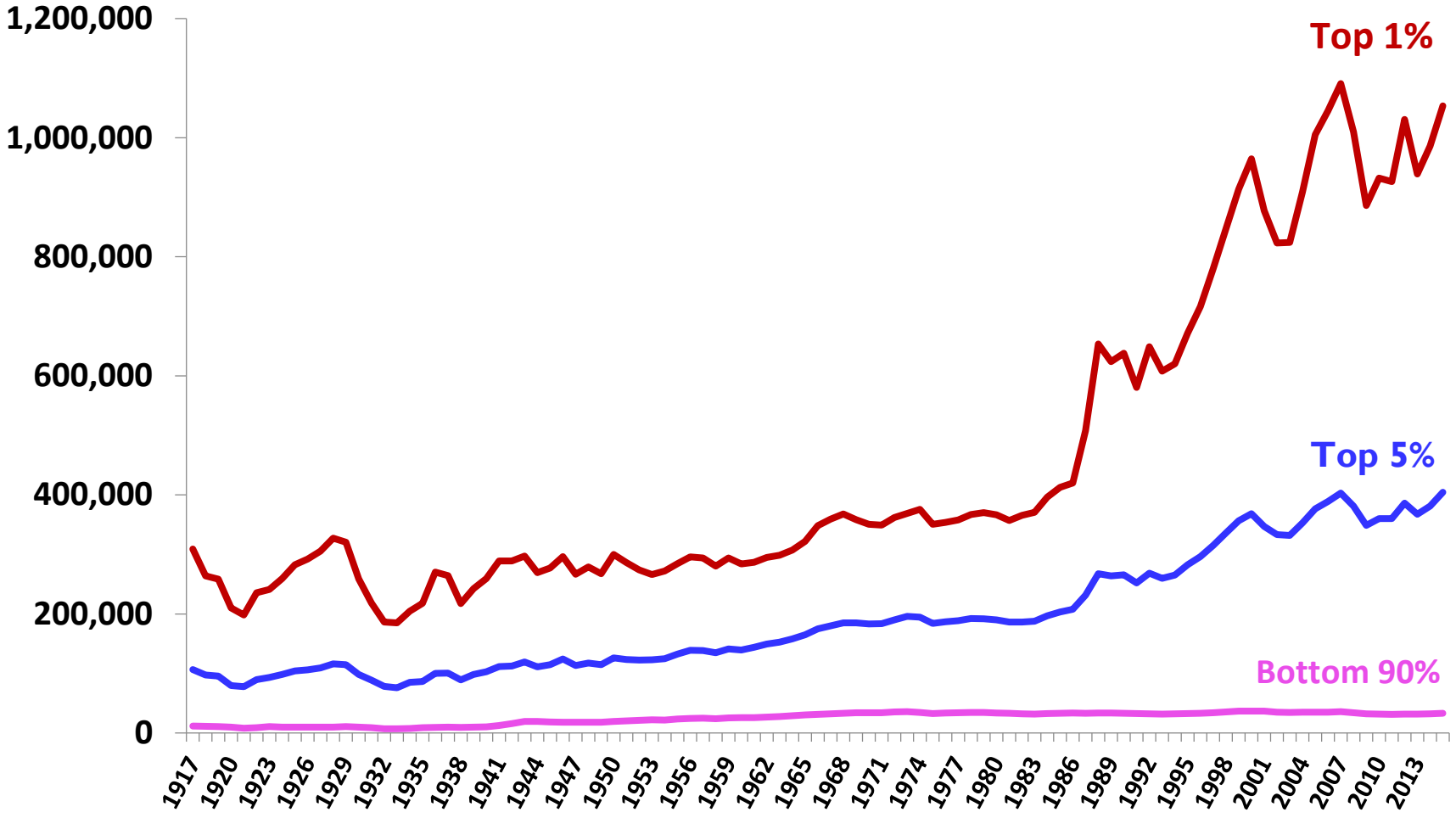
Source: David Cooper, Economic Policy Institute, Briefing Paper April 2017.

Infant mortality



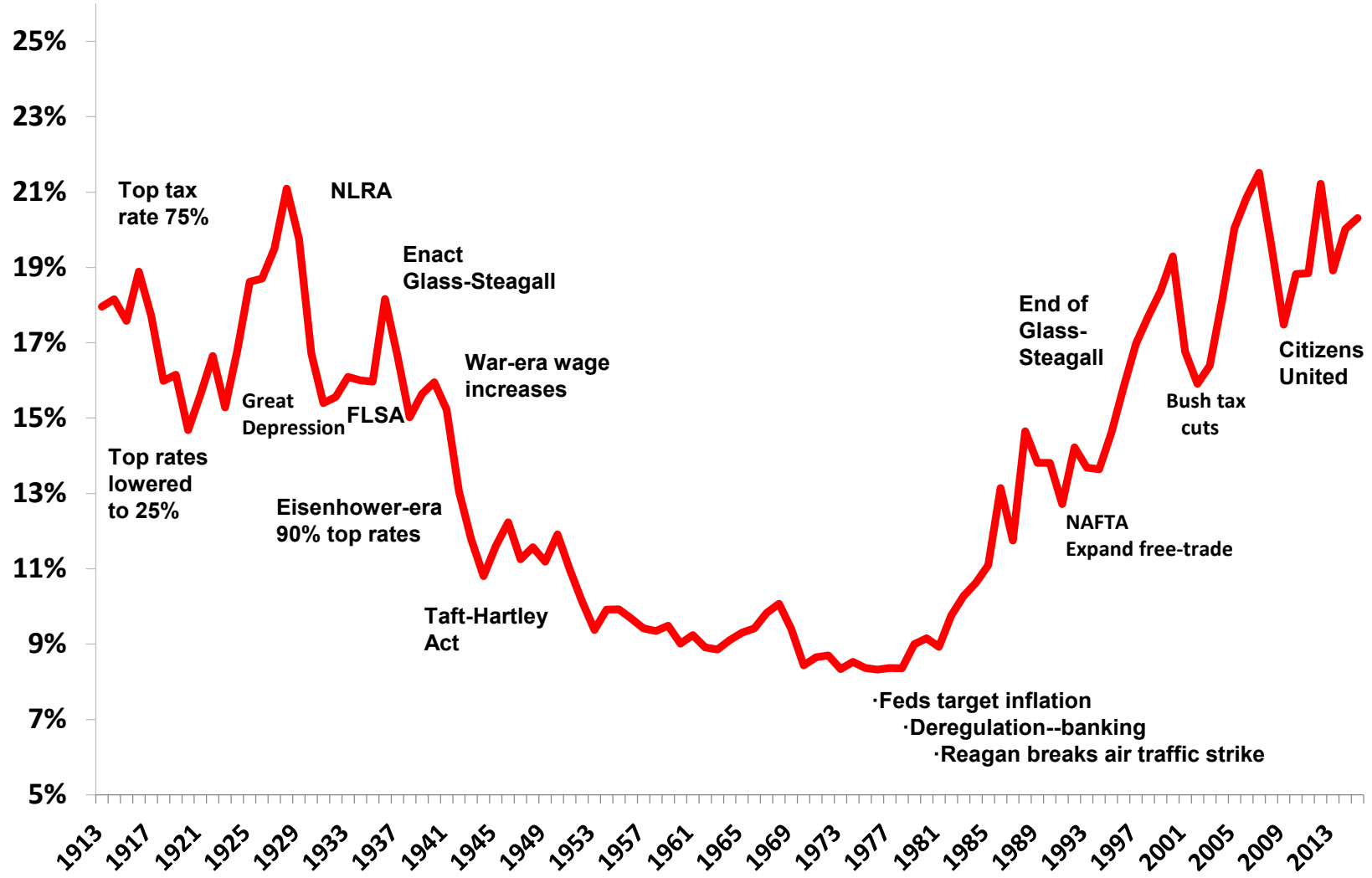
Source: Allegretto's analysis of OECD data, 2015. Per 1,000 live births.

A stark visual of growing inequality



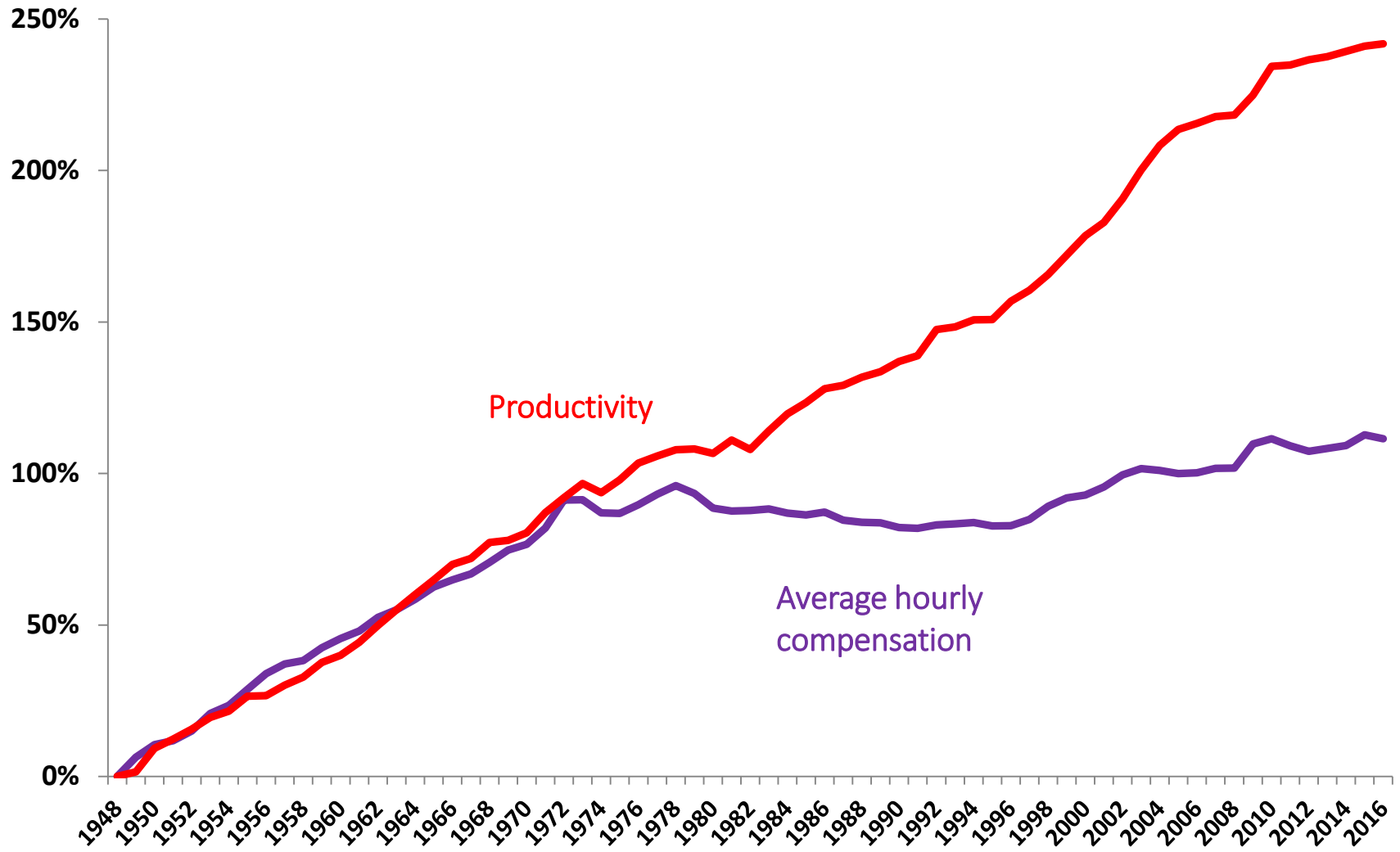
Source: Piketty, T. and Saez, E., The World Top Incomes Database. U.S. before-tax income, excluding K-gains.

The ‘free market’ fallacy
(Top 1% income share)



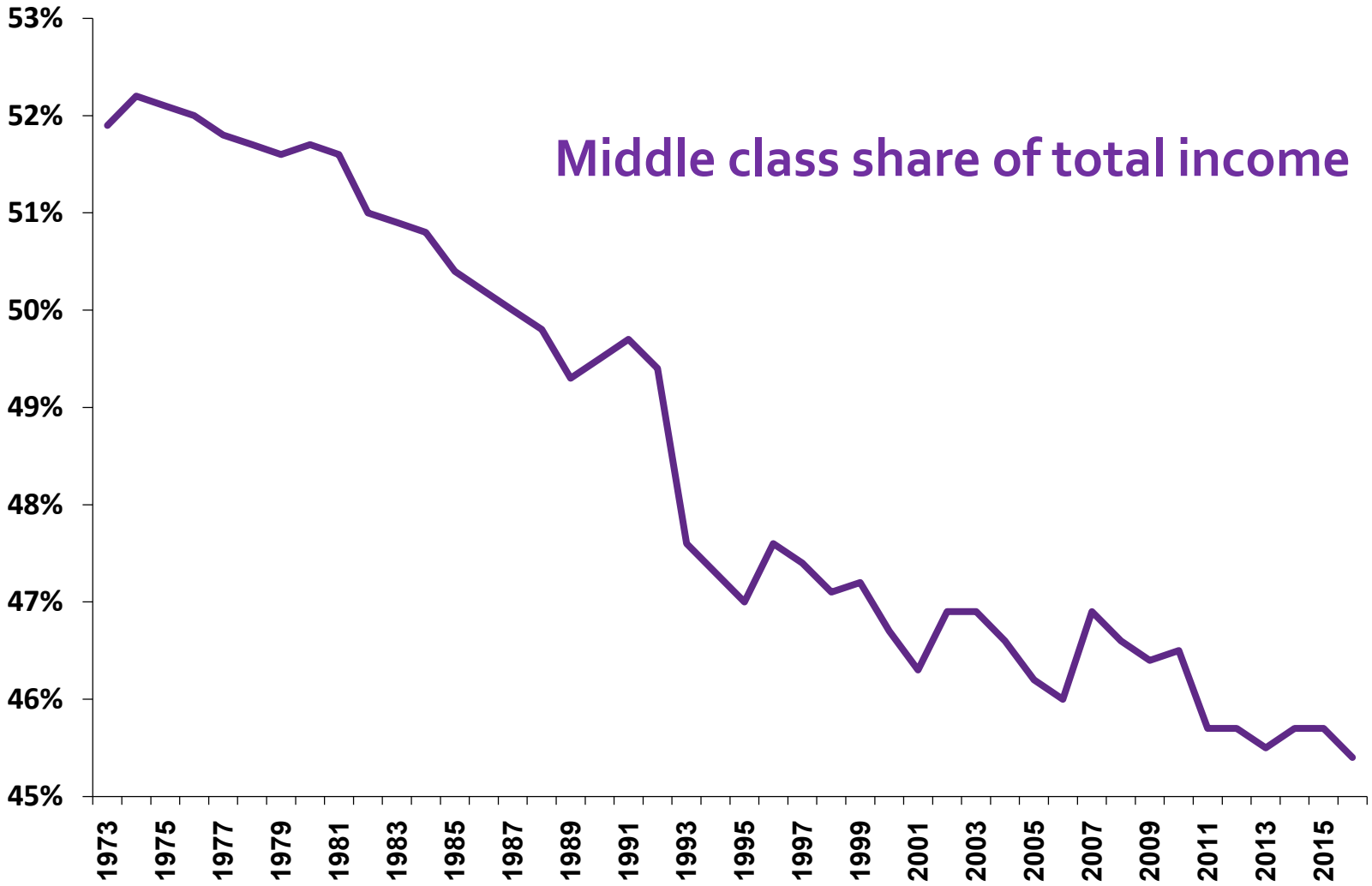
Source: Saez & Piketty. Top 1% income shares in the United States. Center for Economic & Policy Research.

Growing together, growing apart



Source: Economic Policy Institute State of Working America Data Library.

Bigger economic pie—smaller slice



Source: U.S. Bureau of the Census.

Downstream effects of the MW

- Broaden the research & discourse beyond employment outcomes
  - Wages, Employment, Menu Prices, Turnover, Working Poverty
- Vital Statistics Data from the CDC (proprietary)
  - Infant birth weight, gestation, infant mortality
    - *Komro et al. 2016; *Wehby et al. 2016
- Behavioral Risk Factor Surveillance System
  - Worker outcomes: Obesity, BMI, stress, access to medical care, unmet medical needs
    - *McCarrier et al. 2011; *Meltzer & Chen 2011; Horn et al. 2016
- CWEDs added value
  - Experts at modeling MWs – causation
  - Use other data to help ID low wage workers
  - Exploit recent, higher wage floors